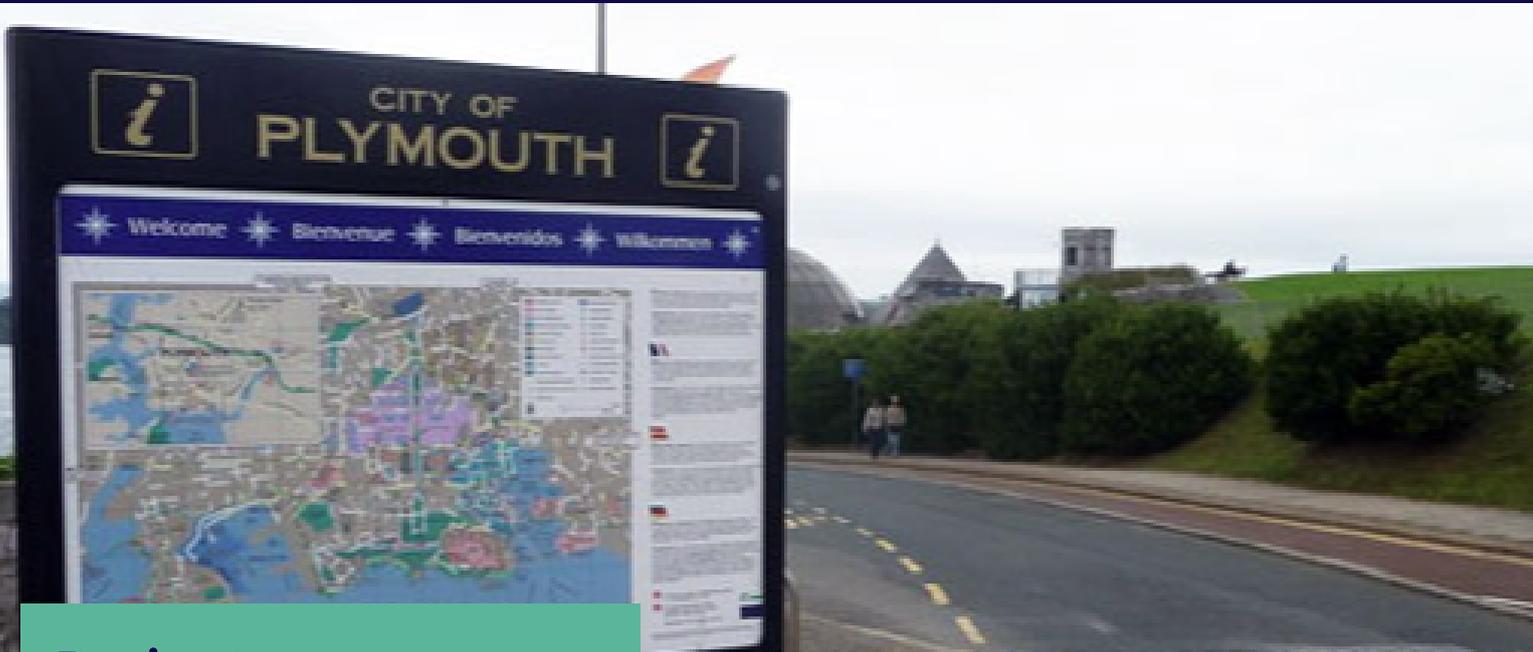


Transforming Procurement Performance With a High-Impact Procurement Target Operating Model



Project Overview

Plymouth City Council (PCC) commissioned V4 to develop a Target Operating Model (TOM) to maximise their resources, practice, delivery and value for money both as a service and for the Council.

This is aligned to a well-developed and effective procurement strategy and action plan.

The Commission

TPCC already had a strong procurement strategy and action plan but needed a Target Operating Model (TOM) that would turn ambition into consistent, measurable delivery.

V4's highly experienced consultants engaged with key stakeholders and synthesised the feedback to allow articulation of the findings into developing TOM options.

V4 Approach

An extensive data review highlighted areas of weaker strategic grip from the Procurement Team and ensured that the TOM focussed upon how capacity within the team could be optimised to increase grip and equitably deliver value for money for the whole council.

Benchmarking of the client to their nearest comparable contract authorities identified a deficit in existing resources, further attesting to the client's hypothesis they were under-resourced.

A full procurement strategy was developed to consider replacing their end-of-life procurement software, providing a number of options including source-to-pay and procure-to-pay options, including an ability for third party data analytics.

Improvements in capability and procurement practice were identified and the Team's structure designed accordingly to maximise capacity and improve delivery and practice.

The Solution

- V4 conducted a full review and developed seven TOM options.
- Our recommended option was the '**capacity maximiser**' which ensured that the team's resources was focussed on doing the right tasks to meet the strategic goals, but also to allow for other resources to be brought in should demands increase from services areas above the existing supply within the team.
- Contract tiering will be the foundation for resource allocation, ensuring the team only add value, and non-value added activity completed using new and emerging technologies.
- The option also included contract management within the structure as it was identified as an area of weakness and compliance in lieu of PA23.

The Outcomes

- PCC received a thorough and well-thought out report which reviewed all elements of the team, support service, acting as an enabling function.
- PCC was extremely satisfied, and the report was delivered early, enabling the client to present the report to their leadership team to request additional resources as part of budget setting to achieve their recommended TOM.

Key Successes

- PCC received the TOM report earlier than planned.
- The tailored TOM options allowed for a scale of change and detailed how each option would impact the service and the costs associated to achieve their TOM.
- No cost and low cost changes included stronger commercial governance through the use of contract tiering for approvals and to determine resource allocation to each procurement project.
- The TOM will increase capacity and ensure the Team could meet demands of the service, whilst improving practice and operating more effectively.
- PCC will achieve immediate value through elimination of non-value added activities and becoming more lean in their standard operating procedures.